



STOCK UPDATE

Result Update - Q3FY2026

SECTOR

Logistics

COMPANY DETAILS

Market cap:	Rs. 3,412 cr
52-week high/low:	Rs. 382/218
NSE volume: (No of shares)	2,090 lakh
BSE code:	540768
NSE code:	MAHLOG
Free float: (No of shares)	4.0 cr

Source: NSE, BSE, Mirae Asset Sharekhan Research

SHAREHOLDING (%)

Promoters	59.6
FII	4.4
DII	12.3
Others	23.7

Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE CHART



Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE PERFORMANCE

(%)	1m	3m	6m	12m
Absolute	8.3	-2.6	7.0	-3.2
Relative to Sensex	10.8	-1.0	5.1	-10.8

Source: Mirae Asset Sharekhan Research, Bloomberg

Mahindra Logistics Ltd

Earnings turn positive as execution improves

Reco/View: **BUY**

CMP: **Rs. 344**

Price Target: **Rs. 400**

Quick Snapshot

- Revenue rose 19.1% y-o-y to Rs. 1,898 crore, led by 3PL, Freight Forwarding, and Mobility. EBITDA jumped 39.5% y-o-y to Rs. 103 crore.
- Company clocked first positive adjusted net profit (Rs. 10.6 crore) after 11 consecutive quarters of losses.
- Prioritising scaled profitability and committed to eliminating ~95% of operational whitespace by September 2026.
- We maintain a Buy rating with a revised PT of Rs. 400, factoring in downwardly revised estimates.

Result overview

- B2B Express:** Volumes grew 19% y-o-y, while gross profit moved from breakeven to Rs. 2.7 crore. Revenue rose 30.5% y-o-y, driven by improved lane utilisation, better service levels, and enhanced unit economics. Management stated that the improvement is structural and not a one-off, with the express business expected to approach EBITDA breakeven in the coming quarters.
- 3PL:** Revenue increased 20% y-o-y to Rs. 1,502 crore, while GP rose 27% y-o-y to Rs. 165 crore, led by strong traction in AFS segment, followed by the consumer business. Rise in margins expansion reflects improved contract quality, operating discipline, and selective customer acquisition.
- Freight forwarding:** Revenue grew 32% y-o-y to Rs. 94.8 crore, while gross profit increased 36% y-o-y to ~Rs. 10 crore, despite global trade uncertainty and EXIM volatility. Growth was driven by better trade flows, operating leverage, and a diversified customer base.
- Mobility business:** Revenue rose 38% y-o-y to Rs. 106 crore, while gross profit increased 18% y-o-y to Rs. 9.1 crore. The company continues to focus on improving utilisation levels in this asset-heavy segment, with disciplined fleet expansion aligned to return thresholds.
- Last-mile delivery:** Revenue declined 21% y-o-y to Rs. 82 crore, while gross profit fell 63% y-o-y to Rs. 2.7 crore; key challenge here is unit economics rather than competition, given the zero-entry nature of the business. Pricing pressure remains high.

Our Call

MLL remains focused on improving volumes in its express business, which would lead to improved operational profitability, besides expanding capacity. Further, it expects the 3PL vertical is well-positioned for growth due to a strong order book and upcoming projects, which would provide better margins. Stock trades at a P/E of 23.3x/20.8x its FY2027E/FY2028E earnings, which provides room for an upside, considering its transitioning-related growth opportunity. Hence, we retain a Buy rating on the stock with a revised price target (PT) of Rs. 400, factoring in downwardly revised estimates.

Key Risks

Weakness in automobile industry's outlook is a key downside risk to our call.

Valuation

Particulars	FY25	FY26E	FY27E	FY28E
Revenue	6,104.8	7,060.1	8,119.1	9,336.9
OPM (%)	4.7	5.1	5.4	5.6
Adjusted PAT	-35.9	5.6	106.2	119.2
YoY growth (%)	-	-	-	12.3
Adjusted EPS (Rs.)	-5.0	0.8	14.7	16.5
P/E (x)	-	-	23.3	20.8
P/B (x)	4.9	4.8	4.0	3.3
EV/EBITDA (x)	9.9	7.8	6.4	5.4
RoNW (%)	-7.7	1.3	21.4	19.6
RoCE (%)	32.0	8.8	20.3	19.3

Source: Company; Mirae Asset Sharekhan estimates

Note: CMP as on Jan 29, 2026

Concall highlights

- Profitability improvement driven by better cost control, sharper execution, and stabilisation of leadership and operating teams; further improvement expected over coming quarters.
- Warehousing revenues rose 15% y-o-y, reflecting steady demand and contract stability.
- Standalone debt is nil, while consolidated debt stands at Rs. 64 crore, indicating a strong balance sheet.
- MLL exited select non-profitable relationships, with sequential margin improvement already visible.
- Festive demand supported auto and consumption, while GST normalisation provided additional tailwinds.

Particulars	Q3FY26	Q3FY25	y-o-y%	Q2FY26	Rs cr q-o-q%
Net sales	1898.0	1594.2	19.1	1685.3	12.6
other income	5.3	6.3	-15.8	2.9	78.9
Total income	1903.3	1600.5	18.9	1688.2	12.7
Total expenses	1795.2	1520.5	18.1	1600.2	12.2
Operating profit	102.8	73.7	39.5	85.1	20.8
Depreciation	71.7	59.0	21.5	71.7	0.0
Interest	16.5	22.1	-25.1	21.7	-23.8
Exceptional items	7.4	0.0	NA	0.0	NA
Profit Before Tax	12.5	-1.1	NA	-5.4	NA
Taxes	6.4	6.1	5.2	3.0	118.0
PAT	3.3	-9.03	NA	-10.4	NA
Minority Interest	2.8	1.8	55.9	2.0	38.7
Adjusted PAT	10.6	-9.0	NA	-10.4	NA
EPS	1.1	-1.3	NA	-1.0	NA
			BPS		BPS
OPM(%)	5.4	4.6	79	5.0	37
NPM(%)	0.6	-0.6	NA	-0.6	117
Tax rate (%)	51.5	-545.5	NA	-54.9	NA

Source: Company; Mirae Asset Sharekhan Research

Additional Data

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Mahindra & Mahindra	59.58
2	Nippon Life India	5.44
3	Kotak Mahindra Asset Mgmt	1.84
4	Steinberg India Emerging opportunities fund	1.81
5	UTI Asset Management	1.77
6	TATA Asset Management	1.72
7	Dimensional Fund Advisors	0.26
8	Swaminathan Century	0.11
9	Shetty Rajesh	0.10
10	State Street Corp	0.04

Source: Bloomberg

Key management personnel

Name	Designation
Isha Dalal	CFO/IR
Hemant Sikka	Chief Executive Officer and MD
Ankur Bansal	Head: Strategy & Transformation

Source: Company Website

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